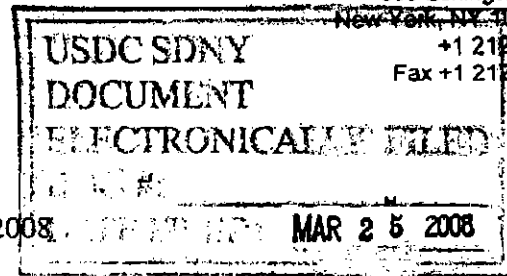




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March 21, 2008 MAR 25 2008

BY FAX 212-805-0424

The Honorable Laura T. Swain
United States District Judge
Southern District of New York
500 Pearl Street
New York, New York 10007

MEMO ENDORSED

Re: E*Trade Savings Bank et ano v. Nat'l Sett. Agy. Inc. et al., No. 07-cv-8065 (LTS/GWG)

Dear Judge Swain:

We represent plaintiffs E*Trade Savings Bank and E*Trade Mortgage Corporation (together, "E*Trade" or "Plaintiffs") in the above-referenced action. Pursuant to Section 2.C. of Your Honor's Individual Practices, we write to seek leave to move for default judgments against defendants Steven M. Leff and National Settlement Agency LLC ("NSA").

Plaintiffs brought an Order to Show Cause on December 4, 2007 in which they sought to obtain default judgments based upon the initial Complaint in this action. Your Honor declined to grant that relief based upon the Court's concerns about ambiguity in certain jurisdictional allegations in the initial Complaint, and certain allegations regarding damages. Thus, the Court granted Plaintiffs leave to serve and file an Amended Complaint for the limited purpose of clarifying certain jurisdictional ambiguities in the initial Complaint, and certain damages allegations, and thereby provide the Court with an adequate basis to enter default judgments against Steven M. Leff and NSA. Plaintiffs served the Amended Complaint on those two defendants on February 15, 2008 by mail at the addresses listed for them by the New York Secretary of State, in a manner substantially similar to the method expressly prescribed by the Court for service of the December 4, 2007 Order to Show Cause.

Neither Steven M. Leff nor NSA answered or otherwise responded to the Amended Complaint during their time to do so. Because their time to respond has now elapsed, Plaintiffs seek leave of the Court to move for default judgments against those two defendants.

Additionally, one other aspect of the Amended Complaint bears mentioning. The Court made it expressly clear when granting Plaintiffs leave to amend that the Court was not permitting any substantive amendments other than clarifications of those few jurisdictional and damages allegations identified by the Court. Pursuant to the Court's directive, the Amended Complaint contains only minute and targeted amendments, and is not a wholesale revision intended to allege additional facts adduced in discovery. Defendant Fast Track Title Agency LLC ("Fast Track") has attempted to twist that fact to its advantage in its Reply in Support of Motion to Dismiss Amended Complaint (the "Reply Mem."). Specifically, Fast Track states that the Amended Complaint constitutes E*Trade's "second bite at the apple" and should therefore be viewed with heightened scrutiny. Reply Mem. at 1. However, Fast Track's premise is false: The allegations of Amended Complaint were restricted by Court order to jurisdictional allegations against Steven Leff and NSA, and were never intended to amend the

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allegations pertaining to Fast Track. Consequently, the absence of new allegations concerning Fast Track is a result of the Court's instruction, and is decidedly not the result of any supposed lack of evidence that Fast Track is liable to E*Trade for its losses. Simply put, the Court ordered E*Trade not to use the Amended Complaint as a "second bite at the apple," and E*Trade complied. Any attempt by Fast Track to take advantage of E*Trade's restraint is misguided.

E*Trade thanks the Court for its time and attention to this issue.

Respectfully submitted,



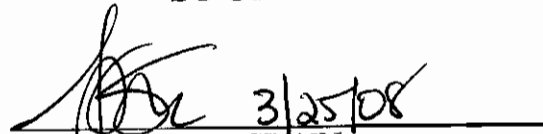
Wallace Neel

WN:eg

cc: Harvey R. Herman, Esq.
Jonathan B. Bruno, Esq.
David E. Weiss, Esq.
Carl M. Perri, Jr., Esq.

The request is denied, without prejudice
to renewal upon demonstration of
service of the Amended Complaint in
a manner compliant with Fed. R. Civ. P. 5.

SO ORDERED.


3/25/08
LAURA TAYLOR SWAIN
UNITED STATES DISTRICT JUDGE